



Merino Industries Limited

CIN: U51909WB1965PLC026556

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NOTICE

TO THE MEMBERS,

NOTICE is hereby given that an Extra-Ordinary General Meeting of the Members of Merino Industries Limited will be held at the Conference Hall, Academy of Fine Arts, 2, Cathedral Road, Kolkata-700071 on Saturday, the 30th day of March, 2019 at 11-00 a.m. to transact the following items of business:

AS SPECIAL BUSINESS:

1. To approve revision of remuneration of Shri Prakash Lohia, Managing Director (DIN: 00063274) and in this regard to consider and pass the following resolution as Special Resolution:

“RESOLVED THAT in partial modification of the relevant resolutions passed at the General Meetings of the Company held on 31.08.2016 and 31.12.2018 respectively and in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the approval of the shareholders of the Company be and is hereby accorded to the revision in remuneration, perquisites and benefits of Shri Prakash Lohia, Managing Director (DIN: 00063274) for the remaining period of his tenure of office (i.e. upto 29th February, 2020) with effect from 1st April, 2019 on the following terms and conditions as set out fully in the draft supplemental service agreement to be entered into between the Company and Shri Prakash Lohia, a copy of which is placed before the meeting with liberty to the Board of Directors (hereinafter referred to as ‘the Board’ which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said remuneration and/or agreement, subject to the remuneration as specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or any amendments thereto as may be agreed between the Board and Shri Prakash Lohia:

Salary: Salary with effect from 01.04.2019 Rs.11,94,000/- per month (consolidated).

Perquisites: Perquisites (valuation as per Income Tax Rules, wherever applicable and at actual cost to the Company in other cases) will include the Company’s accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants’ salaries, society charges and property tax, club fees (for self only).

The total value of the perquisites (evaluated in terms of cost/Income Tax Rules as applicable) as per the rules of the Company or as may be agreed to by the Board of Directors and Shri Prakash Lohia, shall not exceed Rs.1,00,000/- per financial year.

The perquisites amounting to Rs 1,00,000/- (Rs. One Lac only) as per the current service agreement shall not include, prospectively, any sum for medical facility including medical reimbursement and medical insurance premium for self for the purpose of availment of the said perquisites.

Benefits of encashment of leave at the end of the tenure, use of Company car with driver on official duty, telephone including internet facilities for official purposes, Company’s contribution to provident fund and gratuity shall not be included in the computation of perquisites as per provisions in Schedule V to the Act.

Additional Benefits: The additional benefits by way of provision of medical facility (including reimbursement of medical expenses, mediclaim premium, travel expenses with one attendant, if required, in connection with the availment of medical treatment and other

incidental expenses) on actual basis, for self, mother and spouse to Shri Prakash Lohia, for treatment in India and abroad, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the current service agreement, whether earned or not, in addition to his existing remuneration.

The said medical facility be and is hereby made admissible during the currency of the service agreement of Shri Prakash Lohia and the value of the unutilized portion, if any, of the aforesaid limit at the time of expiry of the current service agreement and medical expenditure incurred after the expiry of the service agreement be and are hereby made inadmissible for availment.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service, the payment of remuneration shall be governed by Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof as may for the time being in force.”

2. To approve revision of remuneration of Shri Champa Lal Lohia, Executive Chairman (DIN: 00154019) and in this regard to consider and pass the following resolution as Special Resolution:

“**RESOLVED THAT** in partial modification of the relevant resolutions passed at the Annual General Meeting of the Company held on 14.09.2018 and in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the approval of the shareholders of the Company be and is hereby accorded to the revision in remuneration, perquisites and benefits of Shri Champa Lal Lohia, Executive Chairman (DIN: 00154019) for the remaining period of his tenure of office (i.e. upto 28th February, 2022) with effect from 1st April, 2019 on the following terms and conditions as set out fully in the draft supplemental service agreement to be entered into between the Company and Shri Champa Lal Lohia, a copy of which is placed before the meeting with liberty to the Board of Directors (hereinafter referred to as ‘the Board’ which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said remuneration and/or agreement, subject to the remuneration as specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or any amendments thereto as may be agreed between the Board and Shri Champa Lal Lohia:

Salary: Salary in the Scale with effect from 01.04.2019 and ending on 28.02.2022 Rs. 12,01,000-1,20,000-1,32,500-14,53,500 with the increment falling due on 1st April 2020 and 1st April 2021.

Perquisites: Perquisites (valuation as per Income Tax Rules, wherever applicable and at actual cost to the Company in other cases) will include the Company’s accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants’ salaries, society charges and property tax, club fees (for self only).

The total value of the perquisites (evaluated in terms of cost/Income Tax Rules as applicable) as per the rules of the Company or as may be agreed to by the Board of Directors and Shri Champa Lal Lohia, shall not exceed Rs.1,00,000/- per financial year.

The perquisites amounting to Rs 1,00,000/- (Rs. One Lac only) as per the current service agreement shall not include, prospectively, any sum for medical facility including medical reimbursement and medical insurance premium for self for the purpose of availment of the said perquisites.

Benefits of encashment of leave at the end of the tenure, use of Company car with driver on official duty, telephone including internet facilities for official purposes, Company’s contribution to provident fund and gratuity shall not be included in the computation of perquisites as per provisions in Schedule V to the Act.

Additional Benefits: The additional benefits by way of provision of medical facility (including reimbursement of medical expenses, mediclaim premium, travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses) on actual basis, for self, spouse and dependent daughter to Shri Champa Lal Lohia, for treatment in India and abroad, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the current service agreement, whether earned or not, in addition to his existing remuneration.

The said medical facility be and is hereby made admissible during the currency of the service agreement of Shri Champa Lal Lohia and the value of the unutilized portion, if any, of the aforesaid limit at the time of expiry of the current service agreement and medical expenditure incurred after the expiry of the service agreement be and are hereby made inadmissible for availment.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service, the payment of remuneration shall be governed by Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof as may for the time being in force.”

3. To approve revision of remuneration of Shri Rup Chand Lohia, Executive Vice-Chairman (DIN: 00063290) and in this regard to consider and pass the following resolution as Special Resolution:

“**RESOLVED THAT** in partial modification of the relevant resolutions passed at the Annual General Meetings of the Company held on 14.09.2018 and in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the approval of the shareholders of the Company be and is hereby accorded to the revision in remuneration, perquisites and benefits of Shri Rup Chand Lohia, Executive Vice-Chairman (DIN: 00063290) for the remaining period of his tenure of office (i.e. upto 31st December, 2021) with effect from 1st April, 2019 on the following terms and conditions as set out fully in the draft supplemental service agreement to be entered into between the Company and Shri Rup Chand Lohia, a copy of which is placed before the meeting with liberty to the Board of Directors (hereinafter referred to as ‘the Board’ which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said remuneration and/or agreement, subject to the remuneration as specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or any amendments thereto as may be agreed between the Board and Shri Rup Chand Lohia:

Salary: Salary in the Scale with effect from 01.04.2019 and ending on 31.12.2021 Rs. 7,93,000-79,500-87,500-9,60,000 with the increment falling due on 1st April 2020 and 1st April 2021.

Perquisites: Perquisites (valuation as per Income Tax Rules, wherever applicable and at actual cost to the Company in other cases) will include the Company’s accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants’ salaries, society charges and property tax, club fees (for self only).

The total value of the perquisites (evaluated in terms of cost/Income Tax Rules as applicable) as per the rules of the Company or as may be agreed to by the Board of Directors and Shri Rup Chand Lohia, shall not exceed Rs.1,00,000/- per financial year.

The perquisites amounting to Rs 1,00,000/- (Rs. One Lac only) as per the current service agreement shall not include, prospectively, any sum for medical facility including medical reimbursement and medical insurance premium for self for the purpose of availment of the said perquisites.

Benefits of encashment of leave at the end of the tenure, use of Company car with driver on official duty, telephone including internet facilities for official purposes,

Company's contribution to provident fund and gratuity shall not be included in the computation of perquisites as per provisions in Schedule V to the Act.

Additional Benefits: The additional benefits by way of provision of medical facility (including reimbursement of medical expenses, mediclaim premium, travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses) on actual basis, for self and spouse to Shri Rup Chand Lohia, for treatment in India and abroad, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the current service agreement, whether earned or not, in addition to his existing remuneration.

The said medical facility be and is hereby made admissible during the currency of the service agreement of Shri Rup Chand Lohia and the value of the unutilized portion, if any, of the aforesaid limit at the time of expiry of the current service agreement and medical expenditure incurred after the expiry of the service agreement be and are hereby made inadmissible for availment.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service, the payment of remuneration shall be governed by Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof as may be for the time being in force.”

4. To approve revision of remuneration of Shri Prasan Lohia, Whole-time Director (DIN: 00061111) and in this regard to consider and pass the following resolution as Special Resolution:

“**RESOLVED THAT** in partial modification of the relevant resolutions passed at the General Meetings of the Company held on 31.08.2016 and 31.12.2018 respectively and in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the approval of the shareholders of the Company be and is hereby accorded to the revision in remuneration, perquisites and benefits of Shri Prasan Lohia, Whole-time Director (DIN: 00061111) for the remaining period of his tenure of office (i.e. upto 30th September, 2019) with effect from 1st April, 2019 on the following terms and conditions as set out fully in the draft supplemental service agreement to be entered into between the Company and Shri Prasan Lohia, a copy of which is placed before the meeting with liberty to the Board of Directors (hereinafter referred to as ‘the Board’ which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said remuneration and/or agreement, subject to the remuneration as specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or any amendments thereto as may be agreed between the Board and Shri Prasan Lohia.

Salary: Salary with effect from 01.04.2019 Rs.9,91,000/- per month (consolidated).

Perquisites: Perquisites (valuation as per Income Tax Rules, wherever applicable and at actual cost to the Company in other cases) will include the Company's accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants' salaries, society charges and property tax, club fees (for self only).

The total value of the perquisites (evaluated in terms of cost/Income Tax Rules as applicable) as per the rules of the Company or as may be agreed to by the Board of Directors and Shri Prasan Lohia, shall not exceed Rs.1,00,000/- per financial year.

The perquisites amounting to Rs 1,00,000/- (Rs. One Lac only) as per the current service agreement shall not include, prospectively, any sum for medical facility including medical reimbursement and medical insurance premium for self for the purpose of availment of the said perquisites.

Benefits of encashment of leave at the end of the tenure, use of Company car with driver on official duty, telephone including internet facilities for official purposes,

Company's contribution to provident fund and gratuity shall not be included in the computation of perquisites as per provisions in Schedule V to the Act.

Additional Benefits: The additional benefits by way of provision of medical facility (including reimbursement of medical expenses, mediclaim premium, travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses) on actual basis, for self, spouse and children to Shri Prasan Lohia, for treatment in India and abroad, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the current service agreement, whether earned or not, in addition to his existing remuneration.

The said medical facility be and is hereby made admissible during the currency of the service agreement of Shri Prasan Lohia and the value of the unutilized portion, if any, of the aforesaid limit at the time of expiry of the current service agreement and medical expenditure incurred after the expiry of the service agreement be and are hereby made inadmissible for availment.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service, the payment of remuneration shall be governed by Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof as may for the time being in force.”

5. To approve revision of remuneration of Miss Ruchira Lohia, Whole-time Director (DIN: 00127797) and in this regard to consider and pass the following resolution as Special Resolution:

“**RESOLVED THAT** in partial modification of the relevant resolutions passed at the General Meetings of the Company held on 31.08.2016 and 31.12.2018 respectively and in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the approval of the shareholders of the Company be and is hereby accorded to the revision in remuneration, perquisites and benefits of Miss Ruchira Lohia, Whole-time Director (DIN: 00127797) for the remaining period of her tenure of office (i.e. upto 31st March, 2020) with effect from 1st April, 2019 on the following terms and conditions as set out fully in the draft supplemental service agreement to be entered into between the Company and Miss Ruchira Lohia, a copy of which is placed before the meeting with liberty to the Board of Directors (hereinafter referred to as ‘the Board’ which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said remuneration and/or agreement, subject to the remuneration as specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or any amendments thereto as may be agreed between the Board and Miss Ruchira Lohia.

Salary: Salary with effect from 01.04.2019 Rs.9,91,000/- per month (consolidated).

Perquisites: Perquisites (valuation as per Income Tax Rules, wherever applicable and at actual cost to the Company in other cases) will include the Company's accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants' salaries, society charges and property tax, club fees (for self only).

The total value of the perquisites (evaluated in terms of cost/Income Tax Rules as applicable) as per the rules of the Company or as may be agreed to by the Board of Directors and Miss Ruchira Lohia, shall not exceed Rs.1,00,000/- per financial year.

The perquisites amounting to Rs 1,00,000/- (Rs. One Lac only) as per the current service agreement shall not include, prospectively, any sum for medical facility including medical reimbursement and medical insurance premium for self for the purpose of availment of the said perquisites.

Benefits of encashment of leave at the end of the tenure, use of Company car with driver on official duty, telephone including internet facilities for official purposes,

Company's contribution to provident fund and gratuity shall not be included in the computation of perquisites as per provisions in Schedule V to the Act.

Additional Benefits: The additional benefits by way of provision of medical facility (including reimbursement of medical expenses, mediclaim premium, travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses) on actual basis, for self and her mother to Miss Ruchira Lohia, for treatment in India and abroad, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the current service agreement, whether earned or not, in addition to his existing remuneration.

The said medical facility be and is hereby made admissible during the currency of the service agreement of Miss Ruchira Lohia and the value of the unutilized portion, if any, of the aforesaid limit at the time of expiry of the current service agreement and medical expenditure incurred after the expiry of the service agreement be and are hereby made inadmissible for availment.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service, the payment of remuneration shall be governed by Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof as may for the time being in force."

6. To approve revision of remuneration of Shri Bikash Lohia, Whole-time Director (DIN: 00154013) and in this regard to consider and pass the following resolution as Special Resolution:

"RESOLVED THAT in partial modification of the relevant resolutions passed at the General Meetings of the Company held on 14.09.2018 and 31.12.2018 respectively and in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the approval of the shareholders of the Company be and is hereby accorded to the revision in remuneration, perquisites and benefits of Shri Bikash Lohia, Whole-time Director (DIN: 00154013) for the remaining period of his tenure of office (i.e. upto 30th September, 2021) with effect from 1st April, 2019 on the following terms and conditions as set out fully in the draft supplemental service agreement to be entered into between the Company and Shri Bikash Lohia, a copy of which is placed before the meeting with liberty to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said remuneration and/or agreement, subject to the remuneration as specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or any amendments thereto as may be agreed between the Board and Shri Bikash Lohia.

Salary: Salary in the Scale with effect from 01.04.2019 and ending on 30.09.2021 Rs. 9,00,000-90,000-99,000-10,89,000 with the increment falling due on 1st April 2020 and 1st April 2021.

Perquisites: Perquisites (valuation as per Income Tax Rules, wherever applicable and at actual cost to the Company in other cases) will include the Company's accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants' salaries, society charges and property tax, club fees (for self only).

The total value of the perquisites (evaluated in terms of cost/Income Tax Rules as applicable) as per the rules of the Company or as may be agreed to by the Board of Directors and Shri Bikash Lohia, shall not exceed Rs.1,00,000/- per financial year.

The perquisites amounting to Rs 1,00,000/- (Rs. One Lac only) as per the current service agreement shall not include, prospectively, any sum for medical facility including medical reimbursement and medical insurance premium for self for the purpose of availment of the said perquisites.

Benefits of encashment of leave at the end of the tenure, use of Company car with driver on official duty, telephone including internet facilities for official purposes, Company's contribution to provident fund and gratuity shall not be included in the computation of perquisites as per provisions in Schedule V to the Act.

Additional Benefits: The additional benefits by way of provision of medical facility (including reimbursement of medical expenses, mediclaim premium, travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses) on actual basis, for self, spouse and children to Shri Bikash Lohia, for treatment in India and abroad, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the current service agreement, whether earned or not, in addition to his existing remuneration.

The said medical facility be and is hereby made admissible during the currency of the service agreement of Shri Bikash Lohia and the value of the unutilized portion, if any, of the aforesaid limit at the time of expiry of the current service agreement and medical expenditure incurred after the expiry of the service agreement be and are hereby made inadmissible for availment.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service, the payment of remuneration shall be governed by Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof as may for the time being in force.”

7. To approve revision of remuneration of Shri Madhusudan Lohia, Whole-time Director (DIN: 00063278) and in this regard to consider and pass the following resolution as Special Resolution:

“**RESOLVED THAT** in partial modification of the relevant resolutions passed at the General Meetings of the Company held on 14.09.2018 and 31.12.2018 respectively and in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the approval of the shareholders of the Company be and is hereby accorded to the revision in remuneration, perquisites and benefits of Shri Madhusudan Lohia, Whole-time Director (DIN: 00063278) for the remaining period of his tenure of office (i.e. upto 30th September, 2021) with effect from 1st April, 2019 on the following terms and conditions as set out fully in the draft supplemental service agreement to be entered into between the Company and Shri Madhusudan Lohia, a copy of which is placed before the meeting with liberty to the Board of Directors (hereinafter referred to as ‘the Board’ which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said remuneration and/or agreement, subject to the remuneration as specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or any amendments thereto as may be agreed between the Board and Shri Madhusudan Lohia.

Salary : Salary in the Scale with effect from 01.04.2019 and ending on 30.09.2021 Rs. 9,91,000-99,000-1,09,000-11,99,000 with the increment falling due on 1st April 2020 and 1st April 2021.

Perquisites: Perquisites (valuation as per Income Tax Rules, wherever applicable and at actual cost to the Company in other cases) will include the Company's accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants' salaries, society charges and property tax, club fees (for self only).

The total value of the perquisites (evaluated in terms of cost/Income Tax Rules as applicable) as per the rules of the Company or as may be agreed to by the Board of Directors and Shri Madhusudan Lohia, shall not exceed Rs.1,00,000/- per financial year.

The perquisites amounting to Rs 1,00,000/- (Rs. One Lac only) as per the current service agreement shall not include, prospectively, any sum for medical facility

including medical reimbursement and medical insurance premium for self for the purpose of availment of the said perquisites.

Benefits of encashment of leave at the end of the tenure, use of Company car with driver on official duty, telephone including internet facilities for official purposes, Company's contribution to provident fund and gratuity shall not be included in the computation of perquisites as per provisions in Schedule V to the Act.

Additional Benefits: The additional benefits by way of provision of medical facility (including reimbursement of medical expenses, mediclaim premium, travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses) on actual basis, for self, spouse and children to Shri Madhusudan Lohia, for treatment in India and abroad, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the current service agreement, whether earned or not, in addition to his existing remuneration.

The said medical facility be and is hereby made admissible during the currency of the service agreement of Shri Madhusudan Lohia and the value of the unutilized portion, if any, of the aforesaid limit at the time of expiry of the current service agreement and medical expenditure incurred after the expiry of the service agreement be and are hereby made inadmissible for availment.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service, the payment of remuneration shall be governed by Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof as may for the time being in force."

By order of the Board
For Merino Industries Limited



Vinamrata Agrawal
Company Secretary
ACS 28125

4th March, 2019

Registered Office:

5, Alexandra Court,
60/1, Chowringhee Road,
Kolkata: 700 020
CIN: U51909WB1965PLC026556
Phone: 033 2290-1214 Fax: 2287-0314
E-mail: merinokol@merinoindia.com

NOTES:

- 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy / proxies to attend and to vote on a poll instead of himself / herself and such a proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other member or shareholder.***
- 2. The instrument of proxy, in order to be valid and effective, must be delivered at the registered office of the Company not later than forty-eight hours (48 hours) before the commencement of the meeting. Attendance slip and proxy form are enclosed.**
- 3. The statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 concerning the items of special business as per the agenda items to be transacted at this Extra-Ordinary General Meeting is annexed hereto.**

4. Members are requested to make all correspondences in connection with shares held by them by addressing letters quoting their folio numbers directly to C B Management Services (P) Limited, P-22, Bondel Road, Kolkata – 700 019, the Registrar and Share Transfer Agent of the Company.
5. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their electronic share accounts, or to the Registrar and Share Transfer Agent of the Company in respect of their physical share folios.
6. Members are also requested to kindly inform their Pin code number and Bank Account details to C B Management Services (P) Limited, the Registrar and Share Transfer Agent of the Company.
7. Members are requested to intimate to the Company beforehand, their query/ies, if any, regarding this notice at least ten days before the meeting to enable the management to keep the information required readily available at the meeting.
8. The Equity Shares of the Company are in the depository set up by the National Securities Depository Limited and Central Depository Services (India) Limited. The shares of the Company are in the dematerialization list with ISIN No. INE 662B01017.
9. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID for easy identification at the meeting.
10. The notice convening this Extra-Ordinary General Meeting circulated to the members of the Company is made available on the Company's website at www.merinoindia.com.
11. The Ministry of Corporate Affairs (MCA), Government of India, has by its Circular Nos. 17 / 2011 and 18 / 2011, dated April 21, 2011 and April 29, 2011 respectively, permitted companies to send official documents to the shareholders electronically as a part of its green initiatives in corporate governance. Recognizing the spirit of the circular issued by the MCA, the Notice convening the General Meeting will be sent to the e-mail addresses as provided by the shareholders recorded with their depositories.

12. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at this Extra-Ordinary General Meeting by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Wednesday, 27th March, 2019 (9:00 a.m.) and ends on Friday, 29th March, 2019 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd March, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|-----------------------|---|
| PAN | Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> ▪ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ▪ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> ▪ Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same, or can be sent to the scrutinizer through email at aklabhcs@gmail.com.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) In case of members receiving the physical copy:
- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - (B) The voting period begins on Wednesday, 27th March, 2019 (9:00 a.m.) and ends on Friday, 29th March, 2019 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd March, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
13. The e-voting period commences on 27th March, 2019 (9:00 a.m.) and ends on 29th March, 2019 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically.
 14. The voting rights of shareholders shall be in proportion to their shares in the paid up equity shares capital of the Company as on the cut-off date of 23rd March, 2019.
 15. M/s. A L & Associates, Practicing Company Secretaries (78444) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 16. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes cast through remote e-voting, after counting the votes cast at the Extra-Ordinary General Meeting in the presence of atleast two (2) witnesses not in the employment of the Company and make a consolidated Scrutinizer’s Report of the votes cast in favour or against, if any and forward to the Chairman of the Meeting.
 17. The Results on Resolutions shall be declared after the Extra-Ordinary General Meeting of the Company and the Resolutions will be deemed to be passed on the date of the Extra-Ordinary General Meeting subject to receipt of the requisite number of the votes in favour of the Resolutions.
 18. The consolidated Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.merinoindia.com and on the website of CDSL within three (3) days of passing of the resolutions at the Extra-Ordinary General Meeting of the Company.
 19. The route map to the venue for the convenience of the members to attend the meeting is separately attached.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013 RELATING TO SPECIAL BUSINESS SET OUT IN THE ANNEXED NOTICE

Item Nos. 1 to 7 of the Notice:

GENERAL INFORMATION: As required under Schedule V to the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) in respect of revision of remuneration of Shri Prakash Lohia, Managing Director, Shri Champa Lal Lohia, Executive Chairman, Shri Rup Chand Lohia, Executive Vice Chairman, Shri Prasan Lohia, Miss Ruchira Lohia, Shri Bikash Lohia and Shri Madhusudan Lohia, Whole-time Directors.

Nature of Industry: The Company operates in diversified fields of industry. It manufactures decorative laminates under the brand name “MERINO”. It also manufactures formaldehyde and space saving furniture with wide ranging patterns and a host of colours and shades under brand name ‘MY SPACE’. The Company has diversified into Agro business and is manufacturing potato flakes under the brand name ‘VEGIT’.

Date or expected date of commencement of commercial production: The Company is an existing one and is in operation.

In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.

Financial performance based on given indicators: The performance of the Company (i.e. Turnover, Production, Profit before Tax and Earnings in Foreign Exchange) for last five years is given hereunder:

| Financial year | Net Turnover (Rs. in Crore) | Production of decorative laminates (No. of sheets) | Profit before Tax (Rs. in Crore) | Earnings in Foreign Exchange (F.O.B value of Exports) (Rs. in Crore) |
|----------------|--------------------------------|---|-------------------------------------|---|
| 2013-2014 | 563.94 | 6208998 | 35.26 | 122.64 |
| 2014-2015 | 641.10 | 6602378 | 66.37 | 144.91 |
| 2015-2016 | 662.34 | 6747779 | 87.41 | 151.03 |
| 2016-2017 | 727.31 | 7023976 | 99.62 | 158.44 |
| 2017-2018 | 812.01 | 8103154 | 94.84 | 162.17 |

Export performance: As indicated above

Foreign Investments and Collaborations, if any: None

ITEM NO. 1 REVISION OF REMUNERATION OF SHRI PRAKASH LOHIA, MANAGING DIRECTOR

Shri Prakash Lohia’s present remuneration was approved by the members at the General Meetings held on 31st August, 2016 and 31st December, 2018. The Board of Directors decided to rationalize the remuneration received by Shri Prakash Lohia in keeping with the increasing responsibilities being shouldered by him as per the industry standards. The remuneration structure of Shri Prakash Lohia requires restructuring and accordingly the Board of Directors on recommendation of the Nomination and Remuneration Committee decided to recommend to the shareholders to approve the revision in remuneration of the Managing Director for the remaining period of his tenure (i.e. upto 29th February, 2020) effective 1st April, 2019 and the same is placed before the shareholders at his meeting for approval.

INFORMATION ABOUT THE MANAGING DIRECTOR

- 1) Background details: Shri Prakash Lohia, B. Tech. (Chem.) – IIT Delhi, M.E.P (IIM - Ahmedabad), is aged about 64 years. Shri Lohia has been a Director of the Company since 1976 and had held the post of a Managing Director of the Company from 1995 with subsequent re-appointments to the said post and his present term will expire on 29th February, 2020.
- 2) Past Remuneration: The past remuneration of Shri Prakash Lohia as Managing Director of the Company was by way of Salary Rs. 6,16,000/- per month (consolidated) for the period from 01.10.2016 to 31.03.2017 and

in the Scale with effect from 01.04.2017 and ending on 30.09.2019 Rs. 6,78,000-67,500-75,000-8,20,500 with the increment falling due on 1st April 2018 and 1st April 2019 and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Shri Lohia and his mother and spouse for their treatment in India and abroad.

- 3) Recognition or Awards: Not Material
- 4) Job Profile and his suitability: Management of the business and affairs of the Company as a whole. Shri Lohia has about 42 years experience and he has contributed immensely towards the growth and success of the Company.
- 5) Remuneration proposed: Salary Rs.11,94,500/- per month (consolidated) and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Shri Lohia and his mother and spouse for their treatment in India and abroad. (as mentioned in Item No.1 of the notice).
- 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Even broad benchmarking of remuneration profile in an industry absolutely comparable in terms of size, complexity of operations and profile of the Managing Director would not be appropriate. However, at a meeting of the Nomination and Remuneration Committee held on 4th March, 2019, the Committee recommended the revised remuneration of Shri Lohia as a Managing Director based on his present job responsibilities and size of the Company.

- 7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:

Except in the proposed capacity of Managing Director and Key Managerial Personnel (KMP) and also as a promoter shareholder of the Company, Shri Lohia enjoys no other pecuniary relationship with the Company. He is directly concerned or interested in this resolution along with his son, Shri Madhusudan Lohia, Whole-time Director and one of the KMP. Other KMP i.e. Shri Champa Lal Lohia, Executive Chairman, Shri Rup Chand Lohia, Executive Vice-Chairman, Shri Prasan Lohia, Shri Bikash Lohia, Miss Ruchira Lohia, Whole-time Directors, are his relatives who are indirectly related to him and are considered to be interested or concerned in the resolution to the extent of their relationship with him. However, Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary also falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, are not interested or concerned in the resolution in any way.

OTHER INFORMATION

- 1) Reasons for loss or inadequate profits: The Company has not incurred any loss.
- 2) Steps taken or proposed to be taken for improvement: The Management continues in its endeavour to optimize resources, make value additions, increase revenue and curtail wastage. The management is optimistic that in the future years your Company would witness improved performance and profitability.
- 3) Expected increase in productivity and profits in measurable terms: This cannot be quantified at this stage due to several uncertainties. However, the Directors feel that the present rate of growth of performance would be sustained, if not bettered in the years to come.

DISCLOSURES

Information of the remuneration package to the shareholders of the Company: This information has been detailed in the notice and explanatory statement attached to the respective resolution.

Disclosures mentioned in the Board of Directors' Report under the heading 'Corporate Governance', if any, attached to the annual report: Not applicable

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors had considered the revised remuneration to Shri Prakash Lohia, Managing Director for the remaining period of his tenure with effect from 1st April, 2019 and proposed remuneration be approved by the shareholders in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force). Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment of managerial personnel and to fix their remuneration. In accordance with the provisions of Section II of Part II of Schedule V requires approval of the shareholders by way of Special Resolution (as specified in Item No. 1 of the Notice). The terms of remuneration specified in the said Special Resolution are now placed before the shareholders at the ensuing Extra-Ordinary General Meeting, for their approval.

Your directors recommend the approval of the resolution, which may also be treated as an abstract of the draft agreement between the Company and Shri Lohia pursuant to Section 190 of the Companies Act, 2013. The draft supplemental agreement entered into by the Company with Shri Lohia and all other relevant documents are available for inspection at the registered office of the Company on all working days starting from the date of notice of this meeting upto the date of the Extra-Ordinary General Meeting, between business hours, without payment of any fee.

Shri Prakash Lohia, Managing Director and Key Managerial Personnel (KMP) and his son Shri Madhusudan Lohia, Whole-time Director and KMP and their relatives, to the extent of their shareholding interest, if any, in the Company, are directly concerned or interested, financially or otherwise in the resolution. Shri Champa Lal Lohia, Executive Chairman, Shri Rup Chand Lohia, Executive Vice-Chairman, Miss Ruchira Lohia, Shri Prasan Lohia and Shri Bikash Lohia, Whole-time Directors and KMPs and their relatives, to the extent of their shareholding interest, if any, in the Company, are indirectly concerned or interested, financially or otherwise in the resolution. Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary also falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, including their relatives, are not in any way concerned or interested, financially or otherwise, in the resolution set out in Item No. 1 of the Notice.

The above item of special business to be transacted at this meeting of the Company does not relate to or affect any other company.

ITEM NO. 2 REVISION OF REMUNERATION OF SHRI CHAMPA LAL LOHIA, EXECUTIVE CHAIRMAN

Shri Champa Lal Lohia's present remuneration was approved by the members at the Annual General Meeting held on 29th September, 2012. The Board of Directors had decided to rationalize the remuneration received by Shri Champa Lal Lohia in keeping with the increasing responsibilities being shouldered by him as per the industry standards. Therefore, the remuneration structure of Shri Champa Lal Lohia requires restructuring and accordingly the Board of Directors on recommendation of the Nomination and Remuneration Committee had decided to recommend to the shareholders to approve the revision in remuneration of the Executive Chairman for the remaining period of his tenure (i.e. upto 28th February, 2022) effective 1st April, 2019 and the same is placed before the shareholders at this meeting for approval.

INFORMATION ABOUT THE EXECUTIVE CHAIRMAN

- 1) Background details: Shri Champa Lal Lohia, B. Com., aged about 85 years, has been associated with the Company as Director since 1968 and was appointed as a Whole-time Director with effect from 1st day of May, 1985 and thereafter re-appointed as an Executive Vice-Chairman effective 1st May, 1995 and further re-designated as Executive Chairman effective 1st April, 2010. His present term expires on 28th February, 2022.
- 2) Past Remuneration: The past remuneration of Shri Champa Lal Lohia as Executive Chairman of the Company was by way of Salary Rs. 10,00,000/- per month (consolidated) for the month of March 2019 and the Scale with effect from 01.04.2019 and ending on 28.02.2022 Rs. 11,00,000-1,10,000-1,21,000-13,31,000 with the increment falling due on 1st April 2020 and 1st April 2021 and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Shri Lohia, his spouse and dependent daughter for their treatment in India and abroad.

- 3) Recognition or Awards: Not Material
- 4) Job Profile and his suitability: Policy Decision making and new projects. Shri Lohia has total experience of about 61 years and the growth and progress of the Company in the preceding years have mostly been possible due to his dynamic leadership.
- 5) Remuneration proposed: Salary in the Scale with effect from 01.04.2019 and ending on 28.02.2022 Rs. 12,01,000-1,20,000-1,32,500-14,53,500 with the increment falling due on 1st April 2020 and 1st April 2021 and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Shri Lohia, his spouse and dependent daughter for their treatment in India and abroad (as mentioned in Item No. 2 of the notice).
- 7) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: Even broad benchmarking of remuneration profile in an industry absolutely comparable in terms of size, complexity of operations and profile of the Executive Chairman would not be appropriate. However, at a meeting of the Nomination and Remuneration Committee held on 4th March, 2019, the Committee recommended the revised remuneration of Shri Lohia as an Executive Chairman based on his present job responsibilities and size of the Company.
- 8) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any: Except in the capacity of Executive Chairman and also as a promoter shareholder of the Company, Shri Lohia enjoys no other pecuniary relationship with the Company. He is directly concerned or interested in this resolution along with his brother, Shri Rup Chand Lohia, Executive Vice-Chairman and his son, Shri Bikash Lohia, Whole-time Director and Key Managerial Personnel (KMP). Other KMP i.e. Shri Prasan Lohia, Miss Ruchira Lohia, Shri Madhusudan Lohia, Whole-time Directors and Shri Prakash Lohia, Managing Director are his relatives who are indirectly related to him and are considered to be interested or concerned in the resolution to the extent of their relationship with him. However, Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary also falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, are not interested or concerned in the resolution in any way.

OTHER INFORMATION – Same as stated before

DISCLOSURES

Information of the remuneration package to the shareholders of the Company: This information has been detailed in the notice and explanatory statement attached to the respective resolution.

Disclosures mentioned in the Board of Directors' Report under the heading 'Corporate Governance', if any, attached to the annual report: Not applicable

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors had considered the revised remuneration to Shri Champa Lal Lohia, Executive Chairman for the remaining period of his tenure with effect from 1st April, 2019 and proposed remuneration be approved by the shareholders in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force). Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment of managerial personnel and to fix their remuneration. In accordance with the provisions of Section II of Part II of Schedule V requires approval of the shareholders by way of Special Resolution (as specified in Item No. 2). Further Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment and payment of remuneration to managerial personnel who has since attained the age of 70 years and to fix their remuneration. In accordance with the provisions of Schedule V, the terms of remuneration specified in the said Special Resolution are now placed before the shareholders at the ensuing Extra-Ordinary General Meeting, for their approval.

Your directors recommend the approval of the resolution, which may also be treated as an abstract of the draft agreement between the Company and Shri Lohia pursuant to Section 190 of the Companies Act, 2013. The draft supplemental agreement entered into by the Company with Shri Lohia and all other relevant documents are available for inspection at the registered office of the Company on all working days starting from the date of notice of this meeting upto the date of the Extra-Ordinary General Meeting, between business hours, without payment of any fee.

Shri Champa Lal Lohia, Executive Chairman and Key Managerial Personnel (KMP) and his brother Shri Rup Chand Lohia, Executive Vice-Chairman and KMP and son Shri Bikash Lohia, Whole-time Director and KMP and their relatives, to the extent of their shareholding interest, if any, in the Company, are directly concerned or interested, financially or otherwise in the resolution. Shri Prakash Lohia, Managing Director, Miss Ruchira Lohia, Shri Prasan Lohia and Shri Madhusudan Lohia, Whole-time Directors and KMPs and their relatives, to the extent of their shareholding interest, if any, in the Company, are indirectly concerned or interested, financially or otherwise in the resolution. Shri Nripen Kumar Dugar, Whole-time Director and KMP, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary, falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, including their relatives, are not in any way concerned or interested, financially or otherwise, in the resolution set out in Item No. 2 of the Notice.

The above item of special business to be transacted at this meeting of the company does not relate to or affect any other company.

ITEM NO. 3 REVISION OF REMUNERATION OF SHRI RUP CHAND LOHIA, EXECUTIVE VICE-CHAIRMAN

Shri Rup Chand Lohia's present remuneration was approved by the members at the Annual General Meeting held on 14th September, 2018. The Board of Directors decided to rationalize the remuneration received by Shri Rup Chand Lohia in keeping with the increasing responsibilities being shouldered by him as per the industry standards. Therefore, the remuneration structure of Shri Rup Chand Lohia requires restructuring and accordingly the Board of Directors on recommendation of the Nomination and Remuneration Committee had decided to recommend to the shareholders to approve the revision in remuneration of the Executive Vice-Chairman for the remaining period of his tenure (i.e. upto 31st December, 2021) effective 1st April, 2019 and the same is placed before the shareholders at this meeting for approval.

INFORMATION ABOUT THE EXECUTIVE VICE-CHAIRMAN

- 1) Background details: Shri Rup Chand Lohia, B.M.E. (Jadavpur University), aged about 79 years, has been associated with the Company as Director since its incorporation and was also a member of the Board of Directors of the Company up to 5th April, 1994 and was appointed as Director (Technical) with effect from 1st day of January, 2002 and further re-designated as an Executive Vice-Chairman effective 1st April, 2010. His present term expires on 31st December, 2021.
- 2) Past Remuneration: The past remuneration of Shri Rup Chand Lohia as Executive Vice-Chairman of the Company was by way of Salary Rs. 5,95,000/- per month (consolidated) for the period from 01.01.2019 to 31.03.2019 and the Scale with effect from 01.04.2019 and ending on 31.12.2021 Rs. 6,54,500-65,500-72,000-7,92,000 with the increment falling due on 1st April 2020 and 1st April 2021 and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Shri Lohia and his spouse for their treatment in India and abroad.
- 3) Recognition or Awards: Not Material
- 4) Job Profile and his suitability: Supervise Technical Affairs and Implementation of New Projects and oversee the operations of the Company's plant at Hosur in the State of Tamil Nadu. Shri Lohia has about 57 years experience and has contributed immensely towards the growth and success of the Company.
- 5) Remuneration proposed: Salary in the Scale with effect from 01.04.2019 and ending on 31.12.2021 Rs. 7,93,000-79,500-87,500-9,60,000 with the increment falling due on 1st April 2020 and 1st April 2021 and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Shri Lohia and his spouse for their treatment in India and abroad (as mentioned in Item No. 3 of the notice).
- 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: Even broad benchmarking of remuneration profile in an industry absolutely comparable in terms of size, complexity of operations and profile of the Executive Vice - Chairman would not be appropriate. However, at a meeting of the Nomination and Remuneration Committee held on 4th March, 2019, the

Committee recommended fixing the remuneration of Shri Rup Chand Lohia as an Executive Vice - Chairman based on his present job responsibilities and size of the Company.

- 7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any: Except in the proposed capacity of Executive Vice - Chairman and also as a promoter shareholder of the Company, Shri Lohia enjoys no other pecuniary relationship with the Company. He is directly concerned or interested in this resolution along with his brother, Shri Champa Lal Lohia, Executive Chairman and his son, Shri Prasan Lohia, Whole-time Director and Key Managerial Personnel (KMP). Other KMP i.e. Shri Bikash Lohia, Miss Ruchira Lohia, Shri Madhusudan Lohia, Whole-time Directors and Shri Prakash Lohia, Managing Director are his relatives who are indirectly related to him and are considered to be interested or concerned in the resolution to the extent of their relationship with him. However, Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary also falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, are not interested or concerned in the resolution in any way.

OTHER INFORMATION – Same as stated before

DISCLOSURES

Information of the remuneration package to the shareholders of the Company: This information has been detailed in the notice and explanatory statement attached to the respective resolution.

Disclosures mentioned in the Board of Directors' Report under the heading 'Corporate Governance', if any, attached to the annual report: Not applicable

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors had considered the revised remuneration to Shri Rup Chand Lohia, Executive Vice Chairman for the remaining period of his tenure with effect from 1st April, 2019 and proposed remuneration be approved by the shareholders in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force). Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment of managerial personnel and to fix their remuneration. In accordance with the provisions of Section II of Part II of Schedule V requires approval of the shareholders by way of Special Resolution (as specified in Item No. 3 of the Notice). Further Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment and payment of remuneration to managerial personnel who has since attained the age of 70 years and to fix their remuneration. In accordance with the provisions of Schedule V, the terms of remuneration specified in the said Special Resolution are now placed before the shareholders at the ensuing Extra-Ordinary General Meeting, for their approval.

Your directors recommend the approval of the resolution, which may also be treated as an abstract of the draft agreement between the Company and Shri Lohia pursuant to Section 190 of the Companies Act, 2013. The draft supplemental agreement entered into by the Company with Shri Lohia and all other relevant documents are available for inspection at the registered office of the Company on all working days starting from the date of notice of this meeting upto the date of the Extra-Ordinary General Meeting, between business hours, without payment of any fee.

Shri Rup Chand Lohia, Executive Vice-Chairman and Key Managerial Personnel (KMP) and his brother Shri Champa Lal Lohia, Executive Chairman and KMP and son Shri Prasan Lohia, Whole-time Director and KMP and their relatives, to the extent of their shareholding interest, if any, in the Company, are directly concerned or interested, financially or otherwise in the resolution. Shri Prakash Lohia, Managing Director, Miss Ruchira Lohia, Shri Bikash Lohia and Shri Madhusudan Lohia, Whole-time Directors and KMPs and their relatives, to the extent of their shareholding interest, if any, in the Company, are indirectly concerned or interested, financially or otherwise in the resolution. Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary, falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, including their relatives, are not in any way concerned or interested, financially or otherwise, in the resolution set out in Item No. 3 of the Notice.

The above item of special business to be transacted at this meeting of the company does not relate to or affect any other company.

ITEM NO. 4 REVISION OF REMUNERATION OF SHRI PRASAN LOHIA, WHOLE-TIME DIRECTOR

Shri Prasan Lohia's present remuneration was approved by the members at the General Meetings held on 31st August, 2016 and 31st December, 2018. The Board of Directors decided to rationalize the remuneration received by Shri Lohia in keeping with the increasing responsibilities being shouldered by him as per the industry standards. Therefore, the remuneration structure of Shri Lohia requires restructuring and accordingly the Board of Directors on recommendation of the Nomination and Remuneration Committee had decided to recommend to the shareholders to approve the revision in remuneration of the Whole-time Director for the remaining period of his tenure (i.e. upto 30th September, 2019) effective 1st April, 2019 and the same is placed before the shareholders at this meeting for approval.

INFORMATION ABOUT THE WHOLE-TIME DIRECTOR

- 1) Background details: Shri Prasan Lohia, AB (Econ.) USA, BS (Elect. Engg.) USA, MBA (USA), aged about 50 years, has been associated with the Company as Vice-President (Global Operations) since 1999 and as a Whole-time Director since 2004. His present term expires on 30th September 2019.
- 2) Past Remuneration: The past remuneration of Shri Prasan Lohia as a Whole-time Director of the Company by way of salary was Rs. 6,16,000/- per month (consolidated) for the period from 01.10.2016 to 31.03.2017 and in the Scale with effect from 01.04.2017 and ending on 30.09.2019 Rs. 6,78,000-67,500-75,000-8,20,500 with the increment falling due on 1st April 2018 and 1st April 2019 and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Shri Lohia, his spouse and children for their treatment in India and abroad.
- 3) Recognition or Awards: Not Material
- 4) Job Profile and his suitability: Corporate Office Administration, Supervision of Export-Import Documentation, Foreign Exchange Risk Management and Domestic Sales and Marketing of Eastern Region. Shri Lohia has about 27 years experience and has contributed immensely towards the growth and success of the group in general.
- 5) Remuneration proposed: Salary with effect from 01.04.2019 Rs.9,91,000/- per month (consolidated) and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Shri Lohia, his spouse and children for their treatment in India and abroad. (as mentioned in Item No. 4 of the notice).
- 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: Even broad benchmarking of remuneration profile in an industry absolutely comparable in terms of size, complexity of operations and profile of the Whole-time Director would not be appropriate. However, at a meeting of the Nomination and Remuneration Committee held on 4th March, 2019, the Committee recommended fixing the remuneration of Shri Lohia as a Whole-time Director based on his present job responsibilities and size of the Company.
- 7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any: Except in the proposed capacity of Whole-time Director and also as a promoter shareholder of the Company, Shri Lohia enjoys no other pecuniary relationship with the Company. He is directly concerned or interested in this resolution along with his father, Shri Rup Chand Lohia, Executive Vice-Chairman and Key Managerial Personnel (KMP). Other KMP i.e. Shri Champa Lal Lohia, Executive Chairman, Shri Bikash Lohia, Miss Ruchira Lohia, Shri Madhusudan Lohia, Whole-time Directors and Shri Prakash Lohia, Managing Director are his relatives who are indirectly related to him and are considered to be interested or concerned in the resolution to the extent of their relationship with him. However, Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary also falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, are not interested or concerned in the resolution in any way

OTHER INFORMATION – Same as stated before

DISCLOSURES

Information of the remuneration package to the shareholders of the Company: This information has been detailed in the notice and explanatory statement attached to the respective resolution.

Disclosures mentioned in the Board of Directors' Report under the heading 'Corporate Governance', if any, attached to the annual report: Not applicable

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors had considered the revised remuneration to Shri Prasan Lohia, Whole-time Director for the remaining period of his tenure with effect from 1st April, 2019 and proposed remuneration be approved by the shareholders in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force). Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment of managerial personnel and to fix their remuneration. In accordance with the provisions of Section II of Part II of Schedule V requires approval of the shareholders by way of Special Resolution (as specified in Item No. 4). The terms of remuneration specified in the said Special Resolution are now placed before the shareholders at the ensuing Extra-Ordinary General Meeting, for their approval.

Your directors recommend the approval of the resolution, which may also be treated as an abstract of the draft agreement between the Company and Shri Lohia pursuant to Section 190 of the Companies Act, 2013. The draft supplemental agreement entered into by the Company with Shri Lohia and all other relevant documents are available for inspection at the registered office of the Company on all working days starting from the date of notice of this meeting upto the date of the Extra-Ordinary General Meeting, between business hours, without payment of any fee.

Shri Prasan Lohia, Whole-time Director and Key Managerial Personnel (KMP) and his father Shri Rup Chand Lohia, Executive Vice-Chairman and KMP and their relatives, to the extent of their shareholding interest, if any, in the Company, are directly concerned or interested, financially or otherwise in the resolution. Shri Champa Lal Lohia, Executive Chairman, Shri Prakash Lohia, Managing Director, Miss Ruchira Lohia, Shri Bikash Lohia and Shri Madhusudan Lohia, Whole-time Directors and KMPs and their relatives, to the extent of their shareholding interest, if any, in the Company, are indirectly concerned or interested, financially or otherwise in the resolution. Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary, falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, including their relatives, are not in any way concerned or interested, financially or otherwise, in the resolution set out in Item No. 4 of the Notice.

The above item of special business to be transacted at this meeting of the company does not relate to or affect any other company.

ITEM NO. 5 REVISION OF REMUNERATION OF MISS RUCHIRA LOHIA, WHOLE-TIME DIRECTOR

Miss Ruchira Lohia's present remuneration was approved by the members at the General Meetings of the Company held on 31.08.2016 and 31.12.2018 respectively. The Board of Directors had decided to rationalize the remuneration received by Miss Ruchira Lohia for her handling of additional managerial responsibilities. To shoulder these increasing responsibilities by her as per the industry standards, the remuneration structure of Miss Ruchira Lohia require restructuring and accordingly the Board of Directors on recommendation of the Nomination and Remuneration Committee decided to recommend to the shareholders to approve the revision in remuneration of the Whole-time Director for the remaining period of her tenure (i.e. upto 31st March, 2020) effective 1st April, 2019 and the same is placed before the shareholders at this meeting for approval.

INFORMATION ABOUT THE WHOLE-TIME DIRECTOR

- 1) Background details: Miss Ruchira Lohia, B.A., M.E.P (IIM-Ahmedabad) is aged about 50 years and her present term as a Whole-time Director of the Company expires on 31st March, 2020. She was appointed as Vice-President (Delhi Operations) in 1997 and thereafter, was appointed as a Whole-time Director of the Company in the year 2000 with subsequent re-appointments to the said post.
- 2) Past Remuneration: The past remuneration of Miss Ruchira Lohia as a Whole-time Director of the Company by way of Salary was in the Scale with effect from 01.04.2017 and ending on 31.03.2020 Rs. 6,78,000-

67,500-75,000-8,20,500 with the increment falling due on 1st April 2018 and 1st April 2019 and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to her existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Miss Lohia and her mother for their treatment in India and abroad.

- 3) Recognition or Awards: Not Material
- 4) Job Profile and her suitability: Public Relations and Overseeing Export and Import functions and marketing of food products. Miss Lohia has about around 25 years experience and has contributed immensely towards the growth and success of the Company.
- 5) Remuneration proposed: Salary with effect from 01.04.2019 Rs.9,91,000/- per month (consolidated) and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to her existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Miss Lohia and her mother for their treatment in India and abroad. (as mentioned in Item No. 5 of the notice).
- 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: Even broad benchmarking of remuneration profile in an industry absolutely comparable in terms of size, complexity of operations and profile of the Whole-time Director would not be appropriate. However, at a meeting of the Nomination and Remuneration Committee held on 4th March, 2019, the Committee recommended fixing the remuneration of Miss Lohia as a Whole-time Director based on her present job responsibilities and size of the Company.
- 7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any: Except in the proposed capacity of Whole-time Director and also as a promoter shareholder of the Company, Miss Lohia enjoys no other pecuniary relationship with the Company. She is indirectly concerned or interested with Shri Champa Lal Lohia, Executive Chairman, Shri Rup Chand Lohia, Executive Vice-Chairman, Shri Prakash Lohia, Managing Director, Shri Prasan Lohia, Shri Bikash Lohia, Miss Ruchira Lohia and Shri Madhusudan Lohia, Whole-time Directors and Key Managerial Personnel (KMP) who are related to her and are considered to be interested or concerned in the resolution to the extent of their relationship with her. However, Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary also falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, are not interested or concerned in the resolution in any way.

OTHER INFORMATION – Same as stated before

DISCLOSURES

Information of the remuneration package to the shareholders of the Company: This information has been detailed in the notice and explanatory statement attached to the respective resolution.

Disclosures mentioned in the Board of Directors' Report under the heading 'Corporate Governance', if any, attached to the annual report: Not applicable

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors had considered the revised remuneration to Miss Ruchira Lohia, Whole-time Director for the remaining period of her tenure with effect from 1st April, 2019 and proposed remuneration be approved by the shareholders in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force). Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment of managerial personnel and to fix their remuneration. In accordance with the provisions of Section II of Part II of Schedule V requires approval of the shareholders by way of Special Resolution (as specified in Item No. 5). The terms of remuneration specified in the said Special Resolution are now placed before the shareholders at the ensuing Extra-Ordinary General Meeting, for their approval.

Your directors recommend the approval of the resolution, which may also be treated as an abstract of the draft agreement between the Company and Miss Lohia pursuant to Section 190 of the Companies Act, 2013. The draft

supplemental agreement entered into by the Company with Miss Lohia and all other relevant documents are available for inspection at the registered office of the Company on all working days starting from the date of notice of this meeting upto the date of the Extra-Ordinary General Meeting, between business hours, without payment of any fee.

Miss Ruchira Lohia, Whole-time Director and Key Managerial Personnel (KMP) and her relatives, to the extent of their shareholding interest, if any, in the Company, are directly concerned or interested, financially or otherwise in the resolution. Shri Champa Lal Lohia, Executive Chairman, Shri Rup Chand Lohia, Executive Vice-Chairman, Shri Prakash Lohia, Managing Director, Shri Prasan Lohia, Shri Bikash Lohia and Shri Madhusudan Lohia, Whole-time Directors and KMPs and their relatives, to the extent of their shareholding interest, if any, in the Company, are indirectly concerned or interested, financially or otherwise in the resolution. Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary, falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, including their relatives, are not in any way concerned or interested, financially or otherwise, in the resolution set out in Item No. 5 of the Notice.

The above item of special business to be transacted at this meeting of the company does not relate to or affect any other company.

ITEM NO. 6 REVISION OF REMUNERATION OF SHRI BIKASH LOHIA, WHOLE-TIME DIRECTOR

Shri Bikash Lohia's present remuneration was approved by the members at the General Meetings of the Company held on 14.09.2018 and 31.12.2018 respectively. The Board of Directors had decided to rationalize the remuneration received by Shri Bikash Lohia for his handling of additional managerial responsibilities. To shoulder these increasing responsibilities by him as per the industry standards, the remuneration structure of Shri Bikash Lohia require restructuring and accordingly the Board of Directors on recommendation of the Nomination and Remuneration Committee decided to recommend to the shareholders to approve the revision in remuneration of the Whole-time Director for the remaining period of his tenure (i.e. upto 30th September, 2021) effective 1st April, 2019 and the same is placed before the shareholders at this meeting for approval.

INFORMATION ABOUT THE WHOLE-TIME DIRECTOR

- 1) Background details: Shri Bikash Lohia, aged about 48 years, privately educated and attended M.E.P of the Indian Institute of Management, Ahmedabad, has been associated with the Company's subsidiary Merino Panel Products Limited as Director since 1994 and as a Whole-time Director of the Company w.e.f. 1st October, 2006. His present term expires on 30th September, 2021.
- 2) Past Remuneration: The past remuneration of Shri Bikash Lohia as a Whole-time Director of the Company by way of salary of Rs. 7,45,500/- per month (consolidated) for the period from 01.10.2018 to 31.03.2019 and the Scale with effect from 01.04.2019 and ending on 30.09.2021 Rs. 8,20,500-82,000-90,500-9,93,000 with the increment falling due on 1st April 2020 and 1st April 2021 and Perquisites subject to a maximum of Rs.1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Shri Lohia, his spouse and children for their treatment in India and abroad.
- 3) Recognition or Awards: Not Material
- 4) Job Profile and his suitability: Overseeing factory operations and overall management, and addressing Information Technology related issues.
Shri Lohia has about 23 years of experience in production of Company's products and his contributions towards the development of the Company are significant.
- 5) Remuneration proposed: Salary in the Scale with effect from 01.04.2019 and ending on 30.09.2021 Rs. 9,00,000-90,000-99,000-10,89,000 with the increment falling due on 1st April 2020 and 1st April 2021 and Perquisites subject to a maximum of Rs.1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Shri Lohia, his spouse and children for their treatment in India and abroad. (as mentioned in Item No. 6 of the notice).

- 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: Even broad benchmarking of remuneration profile in an industry absolutely comparable in terms of size, complexity of operations and profile of the Whole-time Director would not be appropriate. However, at a meeting of the Nomination and Remuneration Committee held on 4th March, 2019, the Committee recommended fixing the remuneration of Shri Lohia as a Whole-time Director based on his present job responsibilities and size of the Company.
- 7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any: Except in the proposed capacity of Whole-time Director and also as a promoter shareholder of the Company, Shri Lohia enjoys no other pecuniary relationship with the Company. He is directly concerned or interested in this resolution along with his father, Shri Champa Lal Lohia, Executive Chairman and Key Managerial Personnel (KMP). Other KMP i.e. Shri Rup Chand Lohia, Executive Vice-Chairman, Shri Prasan Lohia, Miss Ruchira Lohia, Shri Madhusudan Lohia, Whole-time Directors and Shri Prakash Lohia, Managing Director are his relatives who are indirectly related to him and are considered to be interested or concerned in the resolution to the extent of their relationship with him. However, Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary also falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, are not interested or concerned in the resolution in any way.

OTHER INFORMATION – Same as stated before

DISCLOSURES

Information of the remuneration package to the shareholders of the Company: This information has been detailed in the notice and explanatory statement attached to the respective resolution.

Disclosures mentioned in the Board of Directors' report under the heading 'Corporate Governance', if any, attached to the annual report: Not applicable

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors had considered the revised remuneration to Shri Bikash Lohia, Whole-time Director for the remaining period of his tenure with effect from 1st April, 2019 and proposed remuneration be approved by the shareholders in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force). Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment of managerial personnel and to fix their remuneration. In accordance with the provisions of Section II of Part II of Schedule V requires approval of the shareholders by way of Special Resolution (as specified in Item No. 6). The terms of remuneration specified in the said Special Resolution are now placed before the shareholders at the ensuing Extra-Ordinary General Meeting, for their approval.

Your directors recommend the approval of the resolution, which may also be treated as an abstract of the draft agreement between the Company and Shri Lohia pursuant to Section 190 of the Companies Act, 2013. The draft supplemental agreement entered into by the Company with Shri Lohia and all other relevant documents are available for inspection at the registered office of the Company on all working days starting from the date of notice of this meeting upto the date of the Extra-Ordinary General Meeting, between business hours, without payment of any fee.

Shri Bikash Lohia, Whole-time Director and Key Managerial Personnel (KMP) and his father Shri Champa Lal Lohia, Executive Chairman and KMP and their relatives, to the extent of their shareholding interest, if any, in the Company, are directly concerned or interested, financially or otherwise in the resolution. Shri Rup Chand Lohia, Executive Vice-Chairman, Shri Prakash Lohia, Managing Director, Miss Ruchira Lohia, Shri Prasan Lohia and Shri Madhusudan Lohia, Whole-time Directors and KMPs and their relatives, to the extent of their shareholding interest, if any, in the Company, are indirectly concerned or interested, financially or otherwise in the resolution. Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, including their relatives, are not in any way concerned or interested, financially or otherwise, in the resolution set out in Item No. 6 of the Notice.

The above item of special business to be transacted at this meeting of the company does not relate to or affect any other company.

ITEM NO. 7 REVISION OF REMUNERATION OF SHRI MADHUSUDAN LOHIA, WHOLE-TIME DIRECTOR

Shri Madhusudan Lohia's present remuneration was approved by the members at the General Meetings of the Company held on 14.09.2018 and 31.12.2018 respectively. The Board of Directors had decided to rationalize the remuneration received by Shri Madhusudan Lohia for his handling of additional managerial responsibilities. To shoulder these increasing responsibilities by him as per the industry standards, the remuneration structure of Shri Madhusudan Lohia require restructuring and accordingly the Board of Directors on recommendation of the Nomination and Remuneration Committee decided to recommend to the shareholders to approve the revision in remuneration of the Whole-time Director for the remaining period of his tenure (i.e. upto 30th September, 2021) effective 1st April, 2019 and the same is placed before the shareholders at this meeting for approval.

INFORMATION ABOUT THE WHOLE-TIME DIRECTOR

- 1) Background details: Shri Madhusudan Lohia, is a Graduate in Business Process Management, (Operations and International Business) from Indiana University, holds Masters Degree in Manufacturing Management and is an MBA from Pennsylvania State University, USA. He is aged about 39 years and is associated with the Company as a Whole-time Director from 1st October, 2006. His present term expires on 30th September, 2021.
- 2) Past Remuneration: The past remuneration of Shri Madhusudan Lohia as Whole-time Director of the Company by way of salary was Rs. 6,85,500/- per month (consolidated) for the period from 01.10.2018 to 31.03.2019 and the Scale with effect from 01.04.2019 and ending on 30.09.2021 Rs. 7,54,000-75,500-83,000-9,12,500 with the increment falling due on 1st April 2020 and 1st April 2021 and Perquisites subject to a maximum of Rs.1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Shri Lohia, his spouse and children for their treatment in India and abroad.
- 3) Recognition or Awards: Not Material
- 4) Job Profile and his suitability: Overseeing sales and marketing of the Company's furniture and panel products division and new product introduction. Shri Lohia has about 17 years experience in manufacture and marketing of Furniture, Furniture Solutions, Decorative Laminates etc. and is well conversant with the business requirements and complexities.
- 5) Remuneration proposed: Salary in the Scale with effect from 01.04.2019 and ending on 30.09.2021 Rs. 9,91,000-99,000-1,09,000-11,99,000 with the increment falling due on 1st April 2020 and 1st April 2021 and Perquisites subject to a maximum of Rs.1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Shri Lohia, his spouse and children for their treatment in India and abroad (as mentioned in Item No. 7 of the notice).
- 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: Even broad benchmarking of remuneration profile in an industry absolutely comparable in terms of size, complexity of operations and profile of the Whole-time Director would not be appropriate. However, at a meeting of the Nomination and Remuneration Committee held on 4th March, 2019, the Committee recommended fixing the remuneration of Shri Lohia as a Whole-time Director based on his present job responsibilities and size of the Company.
- 7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any: Except in the proposed capacity of Whole-time Director and also as a promoter shareholder of the Company, Shri Lohia enjoys no other pecuniary relationship with the Company. He is directly concerned or interested in this resolution along with his father, Shri Prakash Lohia, Managing Director and Key Managerial Personnel (KMP). Other KMP i.e. Shri Champa Lal Lohia, Executive Chairman, Shri Rup Chand Lohia, Executive Vice-Chairman, Shri Prasan Lohia, Miss Ruchira Lohia, Shri Bikash Lohia, Whole-time Directors are his relatives who are indirectly related to him and are considered to be interested or concerned in the resolution to the extent of their relationship with him. However, Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary also falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, are not interested or concerned in the resolution in any way.

OTHER INFORMATION – Same as stated before

DISCLOSURES

Information of the remuneration package to the shareholders of the Company: This information has been detailed in the notice and explanatory statement attached to the respective resolution.

Disclosures mentioned in the Board of Directors' report under the heading 'Corporate Governance', if any, attached to the annual report: Not applicable

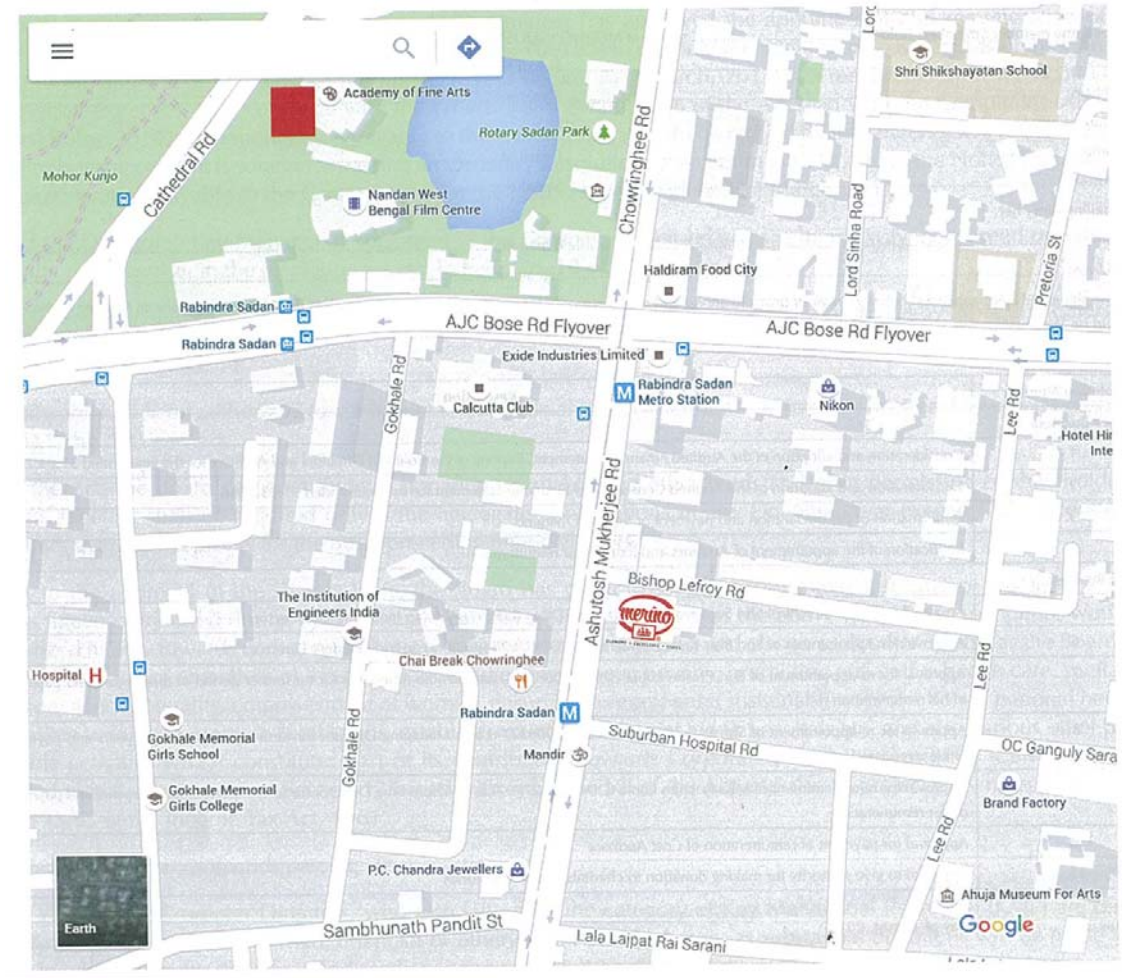
Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors had considered the revised remuneration to Shri Madhusudan Lohia, Whole-time Director for the remaining period of his tenure with effect from 1st April, 2019 and proposed remuneration be approved by the shareholders in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force). Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment of managerial personnel and to fix their remuneration. In accordance with the provisions of Section II of Part II of Schedule V requires approval of the shareholders by way of Special Resolution (as specified in Item No. 7). The terms of remuneration specified in the said Special Resolution are now placed before the shareholders at the ensuing Extra-Ordinary General Meeting, for their approval.

Your directors recommend the approval of the resolution, which may also be treated as an abstract of the draft agreement between the Company and Shri Lohia pursuant to Section 190 of the Companies Act, 2013. The draft supplemental agreement entered into by the Company with Shri Lohia and all other relevant documents are available for inspection at the registered office of the Company on all working days starting from the date of notice of this meeting upto the date of the Extra-Ordinary General Meeting, between business hours, without payment of any fee.

Shri Madhusudan Lohia, Whole-time Director and Key Managerial Personnel (KMP) and his father Shri Prakash Lohia, Managing Director and KMP and their relatives, to the extent of their shareholding interest, if any, in the Company, are directly concerned or interested, financially or otherwise in the resolution. Shri Champa Lal Lohia, Executive Chairman, Shri Rup Chand Lohia, Executive Vice-Chairman, Miss Ruchira Lohia, Shri Prasan Lohia and Shri Bikash Lohia, Whole-time Directors and KMPs and their relatives, to the extent of their shareholding interest, if any, in the Company, are indirectly concerned or interested, financially or otherwise in the resolution. Shri Nripen Kumar Dugar, Whole-time Director, Shri Asok Kumar Parui, Chief Financial Officer and Smt. Vinamrata Agrawal, Company Secretary falling under the category of KMP and Dr. Gautam Bhattacharjee, Shri Sisir Kumar Chakrabarti and Shri Bama Prasad Mukhopadhyay, Independent Directors, including their relatives, are not in any way concerned or interested, financially or otherwise, in the resolution set out in Item No. 7 of the Notice.

The above item of special business to be transacted at this meeting of the company does not relate to or affect any other company.

ROUTE MAP TO THE VENUE OF EGM





Merino Industries Limited

CIN: U51909WB1965PLC026556

Registered Office: 5, Alexandra Court, 60/1, Chowringhee Road, Kolkata: 700 020

Phone: 2290-1214, Fax: 91-33-2287-0314, E-mail: merinokol@merinoindia.com

Website: www.merinoindia.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | | | |
|------------------------|--|------------|--|
| Name of the member(s): | | | |
| Registered Address: | | | |
| Master Folio No. | | E-mail ID: | |
| *Client ID: | | *DP ID: | |

I / We being the member / members holding shares of MERINO INDUSTRIES LIMITED, hereby appoint:

- 1) Name:.....E-mail Id:
Address:.....Signature:.....
or failing him / her
- 2) Name:.....E-mail Id
Address:.....Signature:.....
or failing him / her
- 3) Name:.....E-mail Id
Address:.....Signature:.....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra-Ordinary General Meeting of the Company being held on Saturday, the 30th day of March, 2019 at 11-00 a.m. at Conference Hall, Academy of Fine Arts, 2, Cathedral Road, Kolkata-700071 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution Number | Resolution |
|-------------------------|---|
| Special Business | |
| 1. | Consideration and approval for revision of remuneration of Shri Prakash Lohia, Managing Director (DIN: 00063274) with effect from 1 st April, 2019 |
| 2. | Consideration and approval for revision of remuneration of Shri Champa Lal Lohia, Executive Chairman (DIN: 00154019) with effect from 1 st April, 2019 |
| 3. | Consideration and approval for revision of remuneration of Shri Rup Chand Lohia, Executive Vice-Chairman (DIN: 00063290) with effect from 1 st April, 2019 |
| 4. | Consideration and approval for revision of remuneration of Shri Prasan Lohia, Whole time Director (DIN: 00061111) with effect from 1 st April, 2019 |
| 5. | Consideration and approval for revision of remuneration of Miss Ruchira Lohia, Whole time Director (DIN: 00127797) with effect from 1 st April, 2019 |
| 6. | Consideration and approval for revision of remuneration of Shri Bikash Lohia, Whole time Director (DIN: 00154013) with effect from 1 st April, 2019 |
| 7. | Consideration and approval for revision of remuneration of Shri Madhusudan Lohia, Whole time Director (DIN: 00063278) with effect from 1 st April, 2019 |

Signed thisday of March, 2019

Signature of shareholder

Signature of proxy holder(s)

Affix
Revenue
Stamp

* Applicable for investors holding shares in electronic form

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.



Merino Industries Limited

CIN: U51909WB1965PLC026556

Registered Office: 5, Alexandra Court, 60/1, Chowringhee Road, Kolkata: 700 020

Tel: 033-2290-1214, Fax: 91-33-2287-0314, E-mail: merinokol@merinoindia.com

Website: www.merinoindia.com

ATTENDANCE SLIP

EXTRA-ORDINARY GENERAL MEETING

Env. No.

I/We hereby record my/our presence at the Extra-Ordinary General Meeting of the Company being held on Saturday, the 30th day of March, 2019 at 11-00 a.m. at the Conference Hall, Academy of Fine Arts, 2, Cathedral Road, Kolkata-700071.

Registered Folio No. / :
DP ID & Client ID No.

Name and Address of :
the Sole/First named
Shareholder

Name of Joint holder (s) :
if any

No. of Equity Share(s) held :

Class of shares : EQUITY

Name of the Proxy /
Representative, if any

Name of the Proxy/Representative if any : _____

Signature of the Shareholder

Signature of Proxy / Authorised Representative

Notes :

1. Kindly sign and hand over the Attendance Slip at the entrance of the meeting venue.
2. Members / Proxy holders are requested to bring their copy of the Annual Report for reference at the meeting.
3. The remote e-voting particulars are set out below :

| REMOTE E-VOTING PARTICULARS | |
|--|---|
| Commencement of remote e-voting | End of remote e-voting |
| Wednesday, 27 th March, 2019 at 9:00 a.m. | Friday, 29 th March, 2019 at 5:00 p.m. |

| EVSN (E-voting Sequence No.) | USER ID | PAN / SEQUENCE NO. |
|---------------------------------|---------|--------------------|
| 190221001 | | |

Please read the instructions mentioned in Note No. 12 of the Notice dated 4th March, 2019 convening the Extra-Ordinary General Meeting before availing remote e-voting facilities.